

MINUTES OF THE
WORK SESSION OF THE
CITY COUNCIL
OF THE CITY OF BURLINGTON
January 8, 2007

The City Council of the City of Burlington held a regularly scheduled work session at the John Robert Kernodle Senior Activities Center on January 8, 2007, at 7:00 p.m.

Councilmembers present: Mayor Ross, Councilmembers Jones, Huffman, Starling and Wall.

Councilmembers absent: None

Harold Owen, City Manager, present

Robert M. Ward, City Attorney, present

Jondeen D. Terry, City Clerk, present

Other Staff Present: Bob Harkrader, Jim Lauritsen, Linda Hollifield, Mike Gauldin, Mike Williams, Frank Hope, Steve Shoaf, Peggy Reece, and Jennifer Smith

Media Present: Tomas Murawski, Alamance News, and Bob Boyer, Times-News

Others Present: Jim Bennett, Atlas Lighting Products; Tom McGowen, Phil Stuart and Patricia Rhodes, Stout, Stuart, McGowen & King, LLP; and Kevin Carter, Kimley-Horn

A) Atlas Lighting Products, Inc.

Mr. Jim Bennett, Atlas Lighting Products, Inc., gave examples of the types of products sold by Atlas that is headquartered in Burlington. The products are assembled in Burlington and sold through representatives. Atlas purchased the former Culp facility on Mebane Street and centralized its operations in November 2006.

He said Atlas was able to remain competitive because of global sourcing. Mr. Bennett stated Atlas employed approximately 75 people and was optimistic about the future.

B) Auditor's Report

Phil Stuart introduced his partners - Tom McGowen and Patricia Rhodes. Mr. Stuart emphasized that the accountants were employed by the City Council. Mr. McGowen reviewed the four sections of the Comprehensive Annual Financial Report (CAFR). He also pointed out that the CAFR was the City's document and that the auditor's part was the four letters found within the CAFR.

The auditors reported an unqualified opinion that reflects that the financial statement presented fairly the financial position of the City. It was pointed out that the City raised its bond rating with Standard & Poor's Corporation from A+ to AA- while maintaining its A1 bond ratings from Moody's Investment Service. It was also pointed out that the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Burlington for its Comprehensive Annual Financial Report (CAFR) for the fiscal year end June 30, 2005, and that this was the seventh consecutive year that the City had received this prestigious award. Mr. McGowen pointed out that there were forthcoming changes in rules in recognition of obligation for retirees. Mr. McGowen stated that there was no new liability, only changes in recognition of the liability in the financial statement. He stated the changes would be required for the 2008-09 fiscal year.

C) Update - Gang Activity - Potential Grant

Chief Gauldin told the Councilmembers that the Police Department had been invited by the Governor's Crime Commission to apply for another officer position through a Grant Prevention and Intervention Grant.

He explained that gangs were a huge problem across the state and that the City currently has one position focusing on gang activity.

Capt. Mike Williams explained that the gang investigation grant would provide for 75% of the funds and that the City would be required to make a 25% match and that the request was to amend the second year of the grant. The cost would be \$11,000 for the additional person for the first year.

After a discussion, the consensus was to proceed with the application.

D) Water Tank Maintenance

Jim Lauritsen pointed out the need to paint the Park Avenue water tank. He stated it was preferable to have it painted before the peak water season in July.

Steve Shoaf pointed out that July 2007 was the month that a sample had to be taken by the Environmental Protection Agency; therefore, the tank could not be out of service that month.

Mr. Lauritsen introduced Kevin Carter with Kimley Horn who had taken bids previously to have water tanks painted. He stated that there was a 35% annual increase in product cost. He also said that when a tanks was rehabilitated, it must meet OSHA standards.

Mr. Lauritsen asked for approval conceptually from the City Council to accept bids from paint contractors. He stated the bid would ultimately require City Council approval.

The consensus was to wait until a later time to spend the money required to paint the tank.

E) Appointments - Transportation Advisory Committee (TAC)

The City Councilmembers were in agreement to reappoint Mayor Ross and Councilmember Huffman to the Transportation Advisory Committee.

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REQUEST FOR CLOSED SESSION

Upon motion by Councilmember Jones, seconded by Councilmember Starling, it was resolved unanimously to go into closed session to conduct the performance evaluation of the City Manager and City Attorney, under the provision of the General Statutes 143.318.11A(6).

CLOSED SESSION WAS HELD

ADJOURN

Upon motion by Councilmember Starling, seconded by Councilmember Huffman, it was resolved unanimously to adjourn.

Jondeen D. Terry
City Clerk